

## Budget Brief – Jail Contracting

MFA

EOCJ-UDC-05

### SUMMARY

The Department of Corrections (UDC) uses contracts with county jails to better manage their inmate population. Jail contracts provide additional prison capacity to incarcerate offenders sentenced to the State Prison System. The Department of Corrections has contracted for 1,260 contract beds plus 40 beds utilized for “halfway” offenders. Currently, the State pays counties the jail contract core rate of \$42.32 per day. During FY 2007, the Department will contract for an additional 300 contract beds for a total of 1,560 contract beds.—200 beds with Beaver County and 100 beds with Davis County. Additional funding for these contract beds will not be required. Since jail contracting (JC) is a single program line-item, additional funds cannot be shifted from other correctional programs. Additional funding in the JC line item must be added by appropriation as needed.

### ISSUES AND RECOMMENDATIONS

Two issues are at the forefront of JC discussions: prison population growth and the contract core rate.

#### ***Prison Population Growth***

The UDC uses jail contracting beds to address inmate population growth. The UDC has a two-pronged approach to solving its capacity shortages: 1) Promoting jail construction at county jails for contract beds and 2) constructing additions to existing state facilities. The State is approaching operational inmate capacities in both state facilities and contracted facilities.

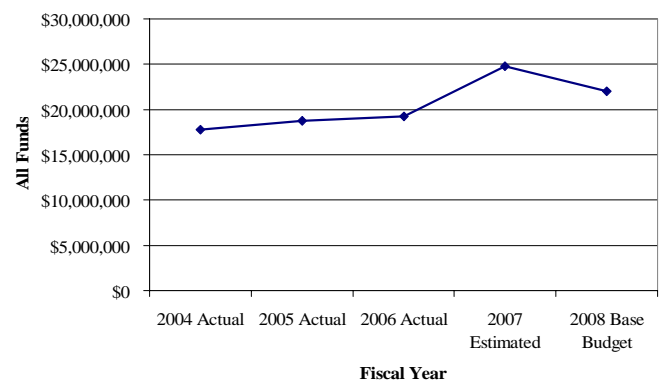
#### ***Jail Contract Core Rate***

Each fiscal year, a new jail programs core rate is negotiated by the Utah Sheriff’s Association, local elected officials, the Commission on Criminal and Juvenile Justice, and the Governor’s Office of Planning and Budget. The rate is based on operating costs reported by the counties to Corrections for the previous calendar year. The rate is established by utilizing all expenses for the counties divided by all the inmates held in county jails. The Legislature must take action on any core rate committee recommendation before a new rate is enacted. For the last five years, Corrections has contracted with counties at a rate of \$42.32 per day. Funding for medical and transportation costs of contract beds is included in the Corrections Programs and Operations line item. The Core Rate Committee has recommended a new core rate of \$49.15.

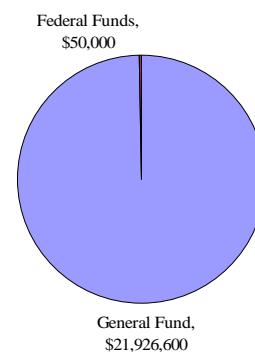
### ACCOUNTABILITY DETAIL

The performance measures reported by the Department for Jail Contracting are reported in the Corrections Programs and Operations Budget Brief (EOCJ-UDC-02). Counties receive additional funding through Jail Reimbursement. See the Jail Reimbursement Budget Brief (EOCJ-UDC-06) for more information. The Jail Reimbursement Issue Brief gives a summary of the issues regarding Jail Contracting and Jail Reimbursement as

**Figure 1: Corrections - Jail Contracting - Budget History**



**Figure 2: Corrections - Jail Contracting - FY 2008 Funding Mix**



detailed in the Legislative Fiscal Analyst Report titled *Jail Reimbursement—History, Statutory Requirements, Comparisons with other States, Trends, and Funding Alternatives*.

### **BUDGET DETAIL**

The Department has not requested additional funding for jail contracting levels of FY2007.

#### ***Core Rate Committee Recommends Core Rate Increase***

Due to the passage of Senate Bill 50 in the 2006 General Session, the Core Rate Committee included capital infrastructure depreciation costs as a part of their Core Rate recommendation for FY 2008. The Core Rate Committee recommended a new core rate of \$49.15 or an increase of \$6.83 per bed day — of which \$3.43 consists of capital depreciation costs and the remaining \$3.40 for inflation-based increases. The FY 2008 Core Rate recommendation represents a 16 percent increase to the current Core Rate of \$42.32. The proposed core rate increase would yield a Jail Reimbursement rate of \$34.41 from the current \$29.62 per bed day. The Core Rate would be \$45.72 if only inflationary increases were approved by the Legislature.

The JR and JC programs are tied to the same core rate and, therefore, any increase for Jail Reimbursement will automatically and significantly increase Jail Contracting costs. For example, if the Core Rate was increased to \$49.15 as recommended above, an additional \$3,380,000 would be necessary for Jail Contracting in addition to the \$3,077,000 increase required to fund Jail Reimbursement in FY 2008.

At present, Counties have little or no problems with the Jail Contracting program because funding covers all of their contracted beds. Because JR funding has been short for the last few years, it appears that Jail Reimbursement is the primary source of tension between the Legislature and the Counties regarding qualified inmate incarcerations.

#### ***Intent Language***

The Analyst recommends the continuation of the following Legislative intent language: *It is the intent of the Legislature that the funds for Jail Contracting line item shall not lapse.*

### **LEGISLATIVE ACTION**

1. The Analyst recommends the Legislature consider a Jail Contracting base budget of \$21,976,600.
2. Consider continuing non-lapsing intent language for the Jail Contracting line item.

**BUDGET DETAIL TABLE**

Corrections - Jail Contracting						
Sources of Finance	FY 2006 Actual	FY 2007 Appropriated	Changes	FY 2007 Revised	Changes	FY 2008* Base Budget
General Fund	21,926,600	21,926,600	0	21,926,600	0	21,926,600
Federal Funds	13,000	50,000	0	50,000	0	50,000
Beginning Nonlapsing	99,800	0	2,792,200	2,792,200	(2,792,200)	0
Closing Nonlapsing	(2,792,200)	0	0	0	0	0
<b>Total</b>	<b>\$19,247,200</b>	<b>\$21,976,600</b>	<b>\$2,792,200</b>	<b>\$24,768,800</b>	<b>(\$2,792,200)</b>	<b>\$21,976,600</b>
<b>Programs</b>						
Jail Contracting	19,247,200	21,976,600	2,792,200	24,768,800	(2,792,200)	21,976,600
<b>Total</b>	<b>\$19,247,200</b>	<b>\$21,976,600</b>	<b>\$2,792,200</b>	<b>\$24,768,800</b>	<b>(\$2,792,200)</b>	<b>\$21,976,600</b>
<b>Categories of Expenditure</b>						
Current Expense	43,800	35,000	0	35,000	0	35,000
Other Charges/Pass Thru	19,203,400	21,941,600	2,792,200	24,733,800	(2,792,200)	21,941,600
<b>Total</b>	<b>\$19,247,200</b>	<b>\$21,976,600</b>	<b>\$2,792,200</b>	<b>\$24,768,800</b>	<b>(\$2,792,200)</b>	<b>\$21,976,600</b>
<b>Other Data</b>						

\*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.